

DAILY MARKETS OVERVIEW

21 FEBRUARY 2019

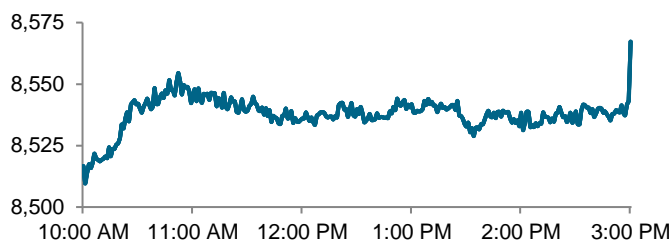
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	8,567	0.6	-0.7	9.5	18.6
Saudi (NOMU)	3,454	0.8	0.7	37.0	9.2
Energy	4,583	0.0	0.1	-5.5	25.0
Materials	5,658	0.4	-0.6	7.7	18.1
Capital Goods	3,955	0.1	-1.2	1.4	22.3
Com. & Prof. Svc	4,286	0.7	-1.4	3.6	18.3
Transportation	3,621	0.6	1.0	4.2	19.8
Cons. Durables & Apparel	3,691	-0.3	-1.1	0.8	NA
Consumer Services	3,222	1.6	1.7	9.3	NA
Media	10,324	0.5	0.0	1.4	NA
Retailing	6,649	0.4	-1.5	-3.2	32.3
Food & Staples Retailing	5,651	0.7	-1.6	-4.9	23.0
Food & Beverages	4,421	1.8	-1.3	13.7	NA
Health Care Equipment	3,761	0.1	0.5	0.1	20.3
Pharma, Biotech & Life Science	3,694	0.7	-0.7	-4.8	25.8
Banks	8,240	0.7	-0.8	14.2	14.3
Diversified Financials	3,636	0.2	-0.4	4.5	NA
Insurance	4,234	0.3	0.6	1.4	NA
Telecommunication	5,907	0.7	-1.4	9.3	18.4
Utilities	3,718	0.9	0.1	10.3	37.2
REITs	3,610	0.5	0.5	-0.4	NA
Real Estate	3,319	0.1	-0.3	2.9	38.5

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Steel Pipe Co.	25.80	3.5%	45
Samba Financial Group	37.15	3.2%	21
MEFIC REIT Fund	8.37	3.1%	5
Dur Hospitality Co.	19.78	2.9%	1
United Electronics Co.	59.40	2.8%	19

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
Rabigh Refining and Petrochemical	19-Feb	4Q18	-105.1	nm	-0.12	NA
Etihad Etisalat Co.	18-Feb	4Q18	80.0	144.0	0.10	BEAT
Arab National Bank	17-Feb	4Q18	684.3	7.9	0.68	MISS
Jabal Omar Development	17-Feb	4Q18	-0.3	nm	0.00	NA
Yamama Cement	14-Feb	4Q18	7.0	-43.2	0.03	BEAT

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of February 21, 2019

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.6% higher at 8,567, while NOMU ended 0.8% higher at 3,454 on Wednesday. TASI traded value totaled SAR 1.7bn and averaged SAR 2.8bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 28.6% of the daily traded value.
- Banks and Materials gained 0.7% and 0.4%, respectively. Telecom ended 0.7% higher. Food & Beverages (up 1.8%) was the best sector performer. Among stocks, Saudi Steel Pipe Co. (1320/SSP AB), Samba Financial Group (1090/SAMBA AB), and MEFIC REIT Fund (4346/MEFIREI AB) led the gainers.
- KSA and India signed five memorandums of understanding (MoUs) in the fields of trade, investment, tourism and housing. Additionally, KSA also signed a framework agreement to the International Solar Alliance (ISA). (Source: Argam)
- The Minister of Energy stated he hopes the oil market would be balanced by April and that there would be no gap in supplies due to the US sanctions on OPEC members Iran and Venezuela. (Source: Zawayya)
- The Minister of Energy stated the country expected to reach an agreement this year to resume oil output from the Neutral Zone it shares with Kuwait. Resuming production from the Neutral Zone's oilfields could add up to 500,000 barrels per day to the oil output of KSA and Kuwait. (Source: Zawayya)
- The Saudi Ministry of Communications and Telecommunication signed two MoUs with a major Indian telecom firm to exchange expertise and develop digital skills in KSA. (Source: Argam)
- The Saudi General Authority for Competition (GAC) approved the economic concentration arising from Taiba Holding Co.'s (4090/TIRECO AB) planned acquisition of Al Aqeeq Real Estate Development Co. and Arab Resort Areas Co. (ARAC). The deal, when completed, would raise Taiba Holding's equity in Al Aqeeq to 100% from 91.9% and its stake in ARAC to 99.2% from 86.9%. (Source: Argam)
- Saudi Electricity Co. (5110/SECO AB) announced it would sign a SAR 15.2bn (USD 4.1bn) Murabaha-syndicated loan facility. The credit facility has tenure of seven years and would be directed towards financing general corporate purposes, including capital expenditure. (Source: Argam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
The Saudi Investment Bank	19.38	-2.1%	5
The Mediterranean & Gulf Insurance & Rein.	14.80	-1.9%	6
Malath Cooperative Insurance and Reinsurance Co.	12.16	-1.8%	25
Solidarity Saudi Takaful Co.	16.06	-1.7%	2
Bawan Co.	13.42	-1.3%	2

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Basic Industries Corp.	123.80	0.7%	150
Al Rajhi Bank	101.00	0.0%	133
Alinma Bank	24.04	0.1%	103
Etihad Etisalat Co.	18.08	-0.4%	48
Saudi Steel Pipe Co.	25.80	3.5%	45

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,632	2.6	3.9	4.0	8.4
Abu Dhabi (ADX)	5,061	0.5	0.5	3.0	14.2
Kuwait (KSE)	5,235	-0.1	-0.4	1.0	17.4
Qatar (QE)	10,078	1.0	1.4	-2.1	14.4
Oman (MSM)	4,054	-0.1	-1.3	-6.2	8.4
Bahrain (BSE)	1,405	0.9	2.4	5.1	9.3
DJMENA Index	587	0.7	0.3	5.5	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,785	0.2	0.3	11.1	18.4
US (NASDAQ 100)	7,489	0.0	0.2	12.9	21.2
UK (FTSE 100)	7,229	0.7	-0.1	7.4	15.7
Germany (DAX)	11,402	0.8	0.9	8.0	12.5
France (CAC 40)	5,196	0.7	0.8	9.8	16.0
Russia (MICEX)	2,488	1.2	-0.1	5.0	5.3
Japan (Nikkei)	21,431	0.6	2.5	7.1	15.7
Hong Kong (HSI)	28,514	1.0	2.2	10.3	10.5
South Korea (KOSPI)	2,230	1.1	1.5	9.2	10.8
China (SHCOMP)	2,761	0.2	2.9	10.7	12.9
India (NIFTY)	10,735	1.2	0.1	-1.2	23.8
Brazil (IBOV)	96,545	-1.1	-1.0	9.9	21.6
Turkey (BIST 100)	1,01,971	0.2	-0.7	11.7	7.0
Egypt (EGX30)	15,214	0.4	1.5	16.7	14.5
MSCI Emerging Markets	1,049	1.2	1.8	8.7	12.5
MSCI World	2,084	0.4	0.8	10.6	16.9

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	67.1	0.9	1.3	24.7	2.8
Natural Gas (\$/mmbtu)	2.6	-1.0	0.4	-10.3	-9.4
Gold (\$/oz)	1,338	-0.2	1.3	4.4	0.7
Silver (\$/oz)	16.1	0.4	1.7	3.6	-2.4
Platinum (\$/oz)	827	1.0	2.4	4.0	-17.3
Copper (\$/t)	6,428	1.3	3.8	8.1	-8.8
Zinc (\$/t)	2,725	1.6	2.8	8.2	-23.7
Lead (\$/mt)	2,025	0.8	-2.1	0.8	-21.2
Wheat (\$/bu)	484	-1.6	-4.5	-3.8	-9.9
Corn (\$/bu)	380	0.4	-0.8	1.2	-7.2
Sugar (\$/lb)	13.4	1.1	2.9	11.2	-8.4

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.64	0.00	-0.17	0.00
Saudi Arabia	2.93	0.00	-0.05	0.29
UAE	2.89	0.00	0.05	0.24
Kuwait	2.63	0.00	0.31	-0.02
Qatar	2.89	-0.02	-0.01	0.25
Bahrain	3.92	0.00	-0.03	1.28

Source: Reuters

NOTES: (1) Prices updated as of February 21, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended mixed on Wednesday. S&P 500 gained 0.2% while NASDAQ ended flat. Dow Jones Industrial ended 0.2% higher. In Europe, UK gained 0.7%. Germany and France closed 0.8% and 0.7% higher, respectively.
- Asian markets are trading mixed on Thursday. China is up 0.4%. Japan is trading 0.5% higher while South Korea is trading flat. Hong Kong gained 0.5% while India is trading 0.1% lower.
- GCC markets ended mixed on Wednesday. Dubai ended 2.6% higher while Abu Dhabi gained 0.5%. Kuwait declined 0.1% while Qatar closed 1.0% higher. Oman declined 0.1% while Bahrain gained 0.9%.
- Standard & Poor's stated that the GCC region has renewable energy (RE) capacity of 867 MW, or 0.6% of its total electricity capacity, the biggest share of which is in the UAE (68%), followed by KSA (16%). Kuwait and Qatar hold a 9.1% and 5.0% share of RE in the region. (Source: Argaam)
- The Dubai Chamber of Commerce and Industry revealed that demand within the UAE's food and beverage sector is expected to gain momentum over the next three years, supported by the country's fast-growing population, rising number of tourists, and expanding halal-food market. (Source: Zawya)
- Nasdaq Dubai welcomed the listing today of two Sukuks by the Government of Indonesia, one valued at USD 1.3bn (AED 4.6bn) and the other at USD 750mn (AED 2.7bn). Capital raised by the Sukuks is intended for projects including sustainable development initiatives. (Source: Trade Arabia)
- The UAE's Emirates National Oil Company (ENOC) announced a strategic alliance with Indian Oil Company (IOCL IN), worth USD 63bn (AED 231bn). The partnership includes R&D and joint efforts to develop cylinder oil compliant with a sulphur cap of 0.5% from the current 3.5%. (Source: Argaam)
- UAE's Senaat stated it has agreed the terms of a joint venture with Tubacex, adding that this new partnership with Tubacex was further being cemented with the signing of an agreement to jointly acquire Dubai-based Nobu Group. (Source: Trade Arabia)
- Dubai Investments Real Estate Company (DIRC), a subsidiary of Dubai Investments, announced that 25% of the work has been completed at its new residential tower coming up within the 38,917-sq-ft Al Barsha 1 development. (Source: Trade Arabia)
- The UAE's National Advisor Bureau announced its latest futuristic project, the Fujairah-Mumbai Subsea Tunnel Project, which aims to connect the UAE and other GCC countries for the first time with Mumbai, India, via a sub-sea tunnel and an ultra-speed 1,000 km/hour sub-sea railway line. (Source: Trade Arabia)
- Dubai's DP World (DPW DU) announced the acquisition of the holding company of P&O Ferries and P&O Ferrymasters (together P&O Ferries) for USD 421mn (AED 1.5bn). (Source: Trade Arabia)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended February 15 (prior: 3.6mn barrels) will be announced today. (Source: Econoday)
- US jobless claims for the week ended February 16 (prior: 239K; consensus: 225K) will be announced today. (Source: Econoday)
- Change in Japan's CPI for January 2019 (prior: -0.2% M/M, 0.3% Y/Y) will be announced today. (Source: Econoday)



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